

In the case of any retailer who ceases to engage in a kind of business which makes him responsible for filing Illinois sales tax returns, such retailer shall file a final return pursuant to 86 Ill. Adm. Code 130.520. (This is a GIL).

July 23, 1999

Dear Mr Xxxxx:

This letter is in response to your letter dated June 10, 1999. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120(b) and (c), enclosed.

In your letter, you have stated and made inquiry as follows:

NAME is pleased to announce that effective March 29, 1999, we have joined with CORPORATION to become COMPANY, a wholly owned subsidiary of CORPORATION of CITY/STATE. The attached press release provides you with details of the acquisition.

The creation of COMPANY will create exciting opportunities for our business and we expect that this will strengthen our existing relationship and provide additional opportunities for you. We do not anticipate the merger will have any impact on our current business commitments to you.

If you have any questions or concerns with regard to this announcement please feel free to contact us.

We value you as a supplier and look forward to maintaining and expanding our relationship in the future. We would ask you to update your records accordingly.

If your company is registered to do business in Illinois as a retailer, there are procedures regarding changing business reorganizations that should be followed. If a corporation or other business is no longer in existence due to a reorganization, merger, consolidation, dissolution, or other organizational change, the corporation, other business, or surviving or new corporation must notify the Department of such change in the business's organizational status and terminate the registration of any corporation or other business that is no longer in existence. In the case of any retailer who ceases to engage in a kind of business which makes him responsible for filing Illinois sales tax returns, such retailer shall file a final return pursuant to 86 Ill. Adm. Code 130.520, enclosed.

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Any new entities arising from a reorganization, merger, consolidation, dissolution or other organizational change must complete a registration application and register the new entity with the Department prior to conducting business. New or surviving entities should not conduct business nor file returns under the registration number for the corporation or other business that is no longer in existence. The returns for the new or surviving business should be filed under the registration number assigned to the new or surviving corporation. If a new or surviving entity does file returns under an incorrect registration number (i.e., the registration number for the corporation or other business that is no longer in existence), penalties and interest may be incurred.

I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at www.revenue.state.il.us. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of the enclosed copy of Section 1200.110(b).

Very truly yours,

Melanie A. Jarvis
Associate Counsel

MAJ:msk

Enc.